Foreign Investment in Non-Essential Items

*387. SHRI RAMACHANDRAN PILLAI :
SHRI E. BALANANDAN :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are extending foreign investment in items like chewing gums, toffees, frozen shrimps and cotton socks; and

(b) if so, whether such items come under essential categories ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) As spelt out in the Statement on Industrial Policy tabled in both the Houses of Parliament on 24th July, 1991 :

(i) The Reserve Bank of India, inter alia, accords automatic approval for direct foreign investment upto 51% equity in high priority industries listed in Annex-III to the Statement.

(ii) Other foreign investment proposals including proposals for foreign investment in areas other than high priority industries (Annex-III) are also considered and cleared on merits by the Government.

Over 80% of the approvals for foreign investment are in high priority areas i.e. areas mentioned in Annex-III of the Statement on Industrial Policy.

C.B.I. probe into A-320 deal

*388. SHRI VIREN J. SHAH :
SHRI PRAMOD MAHAJAN :

Will the Minister of CIVIL AVIATION & TOURISM be pleased to refer to the answer to Unstarred Question 1691 given in the Rajya Sabha on 12th May, 1992 and state :

(a) whether the Central Bureau of Investigation which registered a case on the 29th March, 1990 to probe into the Rs. 2500 crore Airbus A-320 deal involving the alleged kickbacks of about Rs. 250 crores have completed its investigations;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons for the delay in completing the investigation ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) No, Sir.

(b) and (c) Delay in completing the Investigation is mainly due to the reason that extensive investigation has to be conducted in many foreign countries like U.S.A., U.K., France, Switzerland, through Letters Rogatory isssued by the competent court in India. The investigation abroad as time consuming due to complexity of legal procedures.

Setting up of a Telecom Operating Authority

*389. SHRI PRAMOD MAHAJAN :
SHRI VIREN J. SHAH :

Will the Miniister of COMMUNICATIONS be pleased to state :

(a) whether Government propose to set up a Telecom Operating Authority outside the purview of his Ministry to establish, maintain and operate telecom services provided by Government;

(b) if so, what are the details in this regard; and

(c) by when the proposal is likely to be implemented ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI SUKH RAM) : (a) and (b) The Committee set up by Ministry of Communications for reviewing the Indian Telegraph Act, in its report submitted in October, 1992 has proposed setting up of a Telecom Operating Authority under the Ministry of Communications.

(c) The recommendation is under consideration.